GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

STARRED QUESTION NO:626
ANSWERED ON:09.05.2002
REDUCTION OF EXCISE AND SALES TAX FOR ETHANOL BLENDING
BASUDEB ACHARIA

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Government are considering reducing excise and sales tax on ethanol blending;

(b) if so, the details thereof;

(c) whether the price of imported ethanol is less than the price of indigenous ethanol; and

(d) if so, the details and reasons therefor?

Answer

Minister of Petroleum & Natural Gas (SHRI RAM NAIK)

(a) to (d) A statement is laid on the table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF THE LOK SABHA STARRED QUESTION NO.626 REDUCTION OF EXCISE AND SALES TAX FOR ETHANOL BLENDING TO BE REPLIED ON 09.05.2002.

(a) to (b) To make the ethanol-blended petrol competitive price-wise, Government have already announced a concessional reduction in surcharge by 75 paise per litre in the budget for the year 2002-03. Further proposal for excise concession for ethanol used for blending with petrol is under consideration.

(c) & (d) The Government do not monitor the price of ethanol as it is a decontrolled product.